Control Bureau, Enforcement Directorate, Reserve Bank of India and Department of Economic Affairs to look into all aspects of money-laundering, and to suggest a suitable legislation to deal with the problem, if necessary. The committee is yet to submit its report to the Ministry.

(b) and (c) Does not arise in view of (a) above.

Oil Exploration

5145. SHRI B.L. SHANKAR : Will the PRIME MINISTER be pleased to state :

(a) whether the Government propose to allow hundred percent foreign equity in oil exploration in the country;

(b) if so, the details thereof and the reasons therefor; and

(c) its impact on the Indian Oil Industry and the economy of the country ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU) : (a) to (c) Yes, Sir. In order to encourage private sector participation, Government of India has recently announced the New Exploration Licensing Policy. The salient features of policy are :

- Open availability of exploration acreages in addition to existing bidding rounds.
- Oil and Natrual Gas Corporation Limited and Oil India Limited to compete for obtaining exploration licences on competitive basis alongwith other private sector companies.
- Oil and Natural Gas Corporation Ltd. and Oil India Limited to be provided a level playing field by providing same fiscal and contract terms as available for private companies.
- Special package to encourage exploration in deep water and frontier areas.
- Freedom to contractors for marketing of crude oil and gas in the domestic market.

As there is no compulsory state participation through Oil and Natural Gas Corporation Limited and Oil India Limited, foreign companies will be free to bid and operate on their own. The new policy will augment investment in exploration and development and also induct the latest managerial and technological practices. In the long run this would boost crude oil production in the country and also add to oil reserves, which would in turn help us in saving outgo of foreign exchange on account of crude oil/petroleum products imports.

Alcoloid Factory at Neemach, Madhya Pradesh

5146. DR. LAXMINARAYAN PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether the production work is being carried out in two shifts in Alcoloid Factory at Neemach in Madhya Pradesh;

(b) whether there has been constant demand to increase its production capacity to meet the requirements;

(c) whether foreign exchange is being saved to a large extent on account of the production in this factory; and

(d) if so,the steps proposed to be taken by the Government to enhance the production capacity of the said factory?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir.

(b) and (c) There has been a constant increase in the domestic demand for Codeine Phosphate and other basic alkaloids in the country. The production capacity of the Neemuch Plant being limited the shortfall in supply is being met by importing Codeine Phosphate from outside. Foreign Exchange is being saved only to the extent of production of Codeine Phosphate by the two alkaloid plants at Ghazipur and Neemuch.

(d) The Government is exploring the possibility of converting the Alkaloid Plants into a corporate entity enjoying larger powers and greater autonomy in matters like upgradation of technology and enhancing production capacity etc.

[Translation]

Clearance to Power Projects

5147. KUMARI UMA BHARATI :
DR. RAMVILAS VEDANTI :
SHRI SATYA DEO SINGH :

Will the PRIME MINISTER be pleased to state :

(a) whether the pace of implementation of power projects in 1996-97 has been dismal;

(b) if so, the reasons therefor;

(c) whether the Government has made any inquiry in this regard;

(d) if so, the outcome of the inquiry; and

(e) the action proposed to be taken by the Government to accelerate the pace of implementation of power projects?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (DR. S. VENUGOPALACHARI) : (a) to (e) During the course of monitoring and review of implementation of power projects, the major constraints have been found to be paucity of funds apart from other factors like delays in land acquisition, delays in taking up infrastructural and enabling works, delays in obtaining statutory clearances including environmental and forest clearances etc.

In order to ensure timely completion of power projects. Ministry of Power and Central Electricity Authority closely monitor the progress and render timely assistance, wherever required, by taking up the matter with the concerned authorities.